

LEGAL NOTICE

and

Preliminary Determination for an Air Quality Permit for

Public Service Company of New Mexico (PNM)

Public Service Company of New Mexico (PNM), 2401 Aztec Rd NE MS Z100, Albuquerque, NM has submitted an air quality permit application to the Air Quality Bureau (AQB), New Mexico Environment Department (NMED) for an air quality permit to modify PNM - San Juan Generating Station. The application file has been assigned Permit No. 0063-M9 and TEMPO Agency Interest ID No. 1421. The exact location of the facility is at latitude 36 degrees, 48 minutes, 2 seconds and longitude -108 degrees, 26 minutes, 19 seconds. To aid in locating this facility, the approximate location is 3 miles north-northeast of Waterflow, NM in San Juan County.

The proposed modification is in response to the issuance of two rules by EPA: 1) EPA's approval of the New Mexico revised Regional Haze and Interstate Transport State Implementation Plan (SIP) and 2) EPA's withdrawal of the New Mexico Regional Haze Federal Implementation Plan (FIP). Both rules were issued on October 9, 2014. The modification consist of removing permit conditions in the SJGS New Source Review permit that are related to the FIP (referred in the current permit as Scenario A) and conditions related to the original New Mexico SIP (referred to as Scenario B); updates permit conditions related to the revised New Mexico SIP (referred to as Scenario C) to provide for the delivery of dry Urea instead of aqueous ammonia used in the selective catalytic reduction system (SNCR) that will be installed on Units 1 and 4 for NO_x control; the increase in the allowable use of fuel oil, utilized during startup, from 4 million to 4.6 million gallons per year; a decrease in the amount of Activated Carbon from 8,683 to 1,183 tons per year used to control mercury emissions; and the removal of redundant and superseded emission limits. The change in fuel oil and Activated Carbon will not increase stack emissions. Particle matter (PM) emissions from the change in fuel oil truck deliveries and the reduction in Activated Carbon truck deliveries results in a net increase of 1.3 tons per year of TSP for truck traffic.

Total air pollutant emissions to the atmosphere are estimated to be approximately Nitrogen Oxides (NO_x) at 9,425 tons per year (tpy)(decrease of 15,284); Carbon Monoxide (CO) at 21,900 tpy (-13,603); Volatile Organic Compounds (VOC) at 123 tpy (-123); Sulfur Dioxide (SO₂) at 4,098 tpy (-6,226); Total Suspended Particulate Matter (TSP filterable) at 910 tpy (decrease of 977), Particulate Matter 10 microns or less (PM₁₀ filterable) at 706 tpy (-761), and Particulate Matter 2.5 microns or less (PM_{2.5} Filterable + Condensable) at 1,416 tpy (-1,462), total Hazardous Air Pollutants (HAPs) at 33.9 tpy (-36.6) and green house gas (CO₂e) > 75,000 tpy(-8,648,023). These emission estimates could change slightly during the course of the Department's review of the application.

The NMED has conducted a preliminary review of the information submitted with the permit application. The preliminary review and applicant's analysis of ambient air quality impacts indicates that the facility's air emissions will meet the air quality standards for SO₂, NO_x, PM and CO.

Based on the applicant's analysis, a preliminary determination is that this facility will comply with the requirements of Title 20, New Mexico Administrative Code (NMAC), 20.2.14, 20.2.31, 20.2.32, 20.2.70, 20.2.71, NSPS Subparts A, D, and OOO, MACT III, ZZZZ, UUUUU; 40CFR72 Subparts B, D, and I, 40CFR73 Subparts B, C, and D, 40CFR75 Subparts A-G, 40CFR76; and the New Mexico Air Quality Control Act. Therefore, the preliminary intent of NMED is to issue the air quality permit on or before May 14, 2015. This source is a PSD major source according to 20.2.74 NMAC.

To ensure compliance with state and federal air regulations, the permit is expected to include conditions that limit the emissions and conditions that will require record keeping and reporting to the Department.

The permit application is available for review in electronic or hard copy at the Air Quality Bureau Office, 525 Camino de los Marquez Suite 1, Santa Fe, New Mexico. To arrange viewing of this application contact Teri Waldron, at 505-476-4355 or teri.waldron@state.nm.us. The permit application is also available at the NMED Farmington Office, located at 3400 Messina, Suite 5000, Farmington, NM 87402 for public review.

All interested persons have thirty (30) days from the date this notice is published, to notify the Department in writing of their interest in the permit application. The written comments should refer to the company name, facility name and Permit No. (or send a copy of this notice along with your comments). The written comments shall state the nature of the issues raised and how it relates to the requirements of applicable state and federal air quality regulations and the Clean Air Act. The written comments should be mailed to Joseph Kimbrell, New Mexico Environment Dept., Air Quality Bureau, Permit Section, 525 Camino de los Marquez Suite 1, Santa Fe, NM 87505-1816.

The Department will notify all persons, who have provided written comments as to when and where the Department's analysis may be reviewed. Although all written comments will be made part of the public record, any person who does not express interest in writing before the end of this first thirty (30) day period will not receive such notification.

If the Department receives written public comment before the end of the Department's thirty (30) day public notice, the Department's analysis will be made available for review for thirty (30) days at the NMED district or field office nearest to the source before the permit will be issued. Written comments on the analysis or permit application may be submitted to the Department during this second thirty (30) day period or at any time before the permit is issued or denied.

Questions or comments not intended to be part of the public record can be directed to Joseph Kimbrell at 505-476-4347. General information about air quality and the permitting process can be found at the Air Quality Bureau's web site. The regulation dealing with public participation in the permit review process is 20.2.72.206 NMAC. This regulation can be found in the "Permits" section of this web site.